AMENDMENTS TO THE CLAIMS:

This listing of claims will replace all prior versions, and listings, of claims in the application:

1.   (currently amended) A method of operating a communications network, including:

automatically varying at a customer terminal, depending on network loading as detected at the customer terminal, a tariff for network usage by the customer terminal, the network loading being indicative of a current status of network congestion as detected at the customer terminal; and

calculating a charge for the network usage by the customer terminal using the tariff.

2.   (currently amended) A method according to claim 1, further including detecting at the customer terminal a network performance parameter which depends on network loading, and varying the tariff depending on the network performance parameter.

3.   (original) A method according to claim 2, in which the network is a packet network and the network performance parameter is the number of packets lost in transmission between a data source and the customer terminal.

4.   (currently amended) A method according to claim 1, <u>further</u>

including detecting a congestion signal at the customer terminal and varying the

tariff in response to the congestion signal.

5.   (currently amended) A method according to claim 4, <u>further</u>

including reading a congestion signal at the customer terminal from a data packet

received at the customer terminal.

6.   (currently amended) A method according to claim 4, <u>further</u>

including generating a congestion signal at a router in the network in response to

the detection of congestion at the router.

7.   (currently amended) A method according to claim 1, <u>wherein</u>

<u>automatically varying the tariff at the customer terminal includes</u> ~~including~~

making a first relatively smaller increase in the tariff when congestion is first

detected, and making at least one further, relatively larger increase, if the

congestion persists.

8.   (currently amended) A method according to claim 1, <u>further</u>

including programming a decision agent at the customer terminal with user-

determined price criteria, and comparing a price calculated using the tariff with the

~~said~~ price criteria.

9.   (currently amended) A method according to claim 1, <u>further</u>

including distributing a tariff algorithm via the communications network to a

plurality of terminals and calculating at each terminal, using the tariff, a charge for

network usage by the terminal.

10.   (previously presented) A method according to claim 9, further

comprising steps, carried out by a network operator, of:

intermittently sampling traffic between the customer terminal and the

network, and as part of the sampling, recording network loading affecting the

customer terminal; and

for the sampled traffic, comparing a charge calculated by the customer

terminal and an expected charge and detecting thereby any discrepancy.

11.   (previously presented) A method according to claim 1, in which

when the customer terminal detects congestion in data transmitted to the customer

terminal from a data source via the network, the customer terminal returns a

congestion notification signal to the data source.

12.   (currently amended) A method according to claim 1, <u>further</u>

including at a customer terminal, selecting a period of time for which the tariff is

to be fixed and paying a premium depending on the duration of the ~~said~~ period.

13.   (currently amended) A method of operating a communications

network including<u>:</u>

applying to customer terminals a tariff for network usage<u> by each of the</u>

<u>customer terminals:</u>~~;~~

<u>locally</u> varying the tariff <u>at one or more of the customer terminals</u> with

time;

<u>calculating a charge for network usage by the one or more of the customer</u>

<u>terminals using its locally varying tariff;</u>

at <u>the one or more of the</u> ~~a~~ customer terminal<u>s</u>, selecting a period of time

for which the tariff is to be fixed; and

paying a premium depending on the duration of the ~~said~~ period.

14.   (currently amended) A communications network including:

means for detecting network loading locally at a customer terminal<u>, the</u>

<u>network loading being indicative of a current status of network congestion as</u>

<u>detected locally at the customer terminal;</u> ~~and~~

means responsive to the ~~said~~ means for detecting arranged automatically to

vary a tariff for network usage by the customer terminal; and

means for calculating a charge for the network usage by the customer

terminal using the tariff.

15.   (currently amended) A customer terminal for use in a

communications network, the customer terminal including:

means for detecting a local amount of loading of a network, which is

indicative of a current status of network congestion perceived by the customer

terminal, to which, in use, the customer terminal is connected;

means responsive to the said means for detecting and arranged

automatically to vary a tariff for network usage by the customer terminal;

means for calculating a charge for the network usage by the customer

terminal using the tariff.

16.   (currently amended) A customer terminal for use in a

communications network, the customer terminal including one or more processors

arranged to carry out the following steps in sequence:

detecting a local amount of loading of resources in a network, which is

indicative of a current status of network congestion perceived by the customer

terminal, to which the customer terminal is connected; and

automatically varying in dependence on the detected loading a tariff for

network usage by the customer terminal;

calculating a charge for the network usage by the customer terminal using the tariff.

17.   (previously presented) A method according to claim 1, in which the tariff is varied only if the terminal fails to reduce its output in response to detected congestion.

18.   (previously presented) A method as in claim 1, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.

19.   (previously presented) A method as in claim 18, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.

20.   (previously presented) A communications network as in claim 13, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.

21.   (previously presented) The customer terminal in claim 15, wherein

the customer terminal is one of a mobile telephone, an intelligent phone and a

personal computing device.

22.   (previously presented) The customer terminal as in claim 16,

wherein the customer terminal is one of a mobile telephone, an intelligent phone

and a personal computing device.

23.   (currently amended) A method of operating a communications

network having a global amount of network loading, the method comprising:

detecting a local observation of the network loading at a customer terminal,

the local observation of the network loading being indicative of a current status of

network congestion perceived by the customer terminal;

automatically adjusting a tariff for usage of the communications network

based on the detected local observation of the network loading at the customer

terminal;

calculating a charge for the network usage by the customer terminal using

the tariff.

24.   (previously presented) A method as in claim 23, wherein the

customer terminal is one of a mobile telephone, an intelligent phone and a

personal computing device.

25.   (previously presented) A method as in claim 23, wherein detecting the local observation includes the customer terminal counting the number of data packets sent or received across a network interface with the customer terminal.